





MEMORANDUM OF UNDERSTANDING Between

Colorado Energy Office, Utah Governor's Office of Energy Development, Wyoming Governor's Office

Western States Rural Natural Gas Initiative Natural Gas Market Enhancement and Infrastructure Initiative

THIS MEMORANDUM OF UNDERSTANDING (Memorandum) is made on this 6th day of November 2017, by and between the Colorado Energy Office, Utah Governor's Office of Energy Development, and Wyoming Governor's Office (hereinafter referred to as the Signatory Offices).

WHEREAS, the Signatory Offices are combining efforts to oversee the "Western States Rural Natural Gas Initiative (WSRGI): Natural Gas Market Enhancement and Infrastructure Initiative" (the report). The Signatory Agencies recognize that Eastern Utah, Western Colorado and Southwestern Wyoming share similar economic opportunities with vast world-class reserves of natural gas. These energy products have potential to influence geopolitics, enhance American manufacturing, contribute to North America's energy security, and rejuvenate rural economies in the region.

WHEREAS regional collaboration will be a key driver of expanding natural gas pipeline infrastructure and rural economic development.

THEREFORE, it is the mutual future intention of the WSRGI to be led by a gubernatorial appointed panel of experts. The panel and or an expert will provide proficiency in natural gas marketing, infrastructure design and financing, basin geology, international affairs relative to natural gas, exports, and or state/federal regulatory issues.

WHEREIN the panel will be appointed through the Colorado, Utah, and Wyoming Energy and Policy Offices with facilitating support from the Consumer Energy Alliance (CEA) to execute the recommendations of the report.

THEREFORE, CEA will facilitate the production of the report to the governors by May 2018, to be presented heretofore at the Utah Governor's Energy Summit. This report will include an analysis of interstate efforts between Colorado, Utah, and Wyoming to build natural gas infrastructure, recommendations to enhance exports, and suggested improvements to Basin cost structures and competitiveness, and will examine best practices to reduce emissions caused by transport and processing of natural gas. The report will also provide a roadmap for the governors to jointly promote the resources of Piceance, Uintah, and Green River Basins both domestically, and abroad.

The signatories commit to seek the support of respective state universities' support to serve in advisory capacities with the Colorado Mesa University's Unconventional Energy Center prospectively providing a financial or in-kind match support role is awarded.

This initiative recognizes that natural gas markets are highly competitive and it is a bipartisan acknowledgment of the need for Colorado, Utah and Wyoming to advance their collaborative efforts.

NONBINDING AGREEMENT. This Memorandum is only a statement of the parties' mutual intentions and is not a legally binding agreement. This Memorandum does not create a contract or other legally enforceable commitments. It is mutually understood that any Signatory Office may, at any time at its sole discretion, discontinue participation in this Memorandum of reject or deviate from any proposals developed by the Signatory Offices.

NOW THEREFORE, as Directors and Advisors of the Signatory Offices we express our mutual understanding and cooperative relationship as follows:

1. OVERALL COMMITMENT

The Signatory Offices agree to coordinate actions and support the successful completion and delivery of the report to the respective Governors of the Signatory Offices States, by undertaking the actions outlined herein.

2. KEY STAKEHOLDER COORDINATION

Where appropriate, the Signatory Offices will engage and collaborate with relevant WSRGI stakeholders including but not limited to, universities, natural gas producers and developers, natural gas midstream companies, energy consumer groups, county commissioners and economic development offices.

3. SUPPLEMENTAL PROVISIONS

- a. A Signatory Office may terminate its participation in this Memorandum at any time and its sole discretion through written statement submitted to the other Signatory Offices
- b. Other states committed to the conditions and activities described above may sign on to this Memorandum.
- c. This Memorandum may be amended through the collective agreement of the authorized representatives of the Signatory Offices.
- d. CEA's production of a scope of work for the production of facilitating the report will be dependent upon securing funding.
- e. Signatories commit to meeting on a quarterly basis in order to review the progress on the WSRGI.

This Memorandum establishing the Western States Rural Gas Initiative represents the commitment by the Colorado Energy Office, Utah Governor's Office of Energy Development, and Wyoming Governor's Office for the funding, development and implementation of the Western States Rural Natural Gas Initiative: Natural Gas Market Enhancement and Infrastructure Initiative is hereby signed this 6th day of December 2017.

Colorado Energy Office	Utah Governor's Office of Energy Development	Wyoming Governor's Office
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